

A Case for NOT Shutting Down Long Term Care Connections

INTRODUCTION

On May 5, 2009, Governor Jennifer Granholm issued Executive Order 2009-22, which was ratified by the Michigan legislature, to reduce the State budget by \$349.3 million. Included in those extensive cuts, was the elimination of \$2.1 million in State funding for the four Single Points of Entry projects (aka Long Term Care Connections). It is expected that LTCC's will be required to be shut down by the end of May, 2009. This will have negative consequences for Michigan, its elderly and people with disabilities:

IMPACTS OF SHUTTING DOWN LTCC'S

- LTCC's are funded with federal Medicaid administrative dollars which are matched with State funds. Cutting \$2.1 million in State funds will mean the Michigan economy will lose an additional \$2.1 million in federal funds.
- In 2007, LTCC's cost only four tenths of 1 percent of Michigan's Long Term Care budget compared to over 80% that was allocated to nursing facilities. LTCC's save State Medicaid dollars by preventing inappropriate admissions to nursing facilities. They also assist nursing facility residents to return to living in the community. By eliminating funding for LTCC's, Michigan will be replacing low cost long-term care services with high cost long term care services. LTCC's are a tool for controlling Michigan's spiraling long term care expenses.
- Currently, 49 states have Aging Disability Resource Centers, some of which are Single Points of Entry systems. Twelve have gone statewide. When Michigan established a Single Point of Entry system in 2007 it was part of a national trend.
- It makes no sense to eliminate a modest program that promises to help older adults and persons with disabilities to make informed choices that result in better management of Michigan's long term care system.
- LTCC's are not only cost containment organizations. They provide an objective source of assistance that persons with disabilities and frail elderly need to obtain high quality, affordable alternatives to institutional care. The LTCC is a lifeline for Michigan's most vulnerable citizens and their families who struggle to find the services they need.
- Continued funding for Michigan LTCC's makes economic sense and preserves at risk citizens' quality of life.

ALTERNATIVES TO SHUTTING DOWN LTCC'S

- Immediately seek alternative funding that can be used a match to leverage federal Medicaid funds that otherwise would be lost to Michigan.
- Continue the operations of LTCC's in FY 2009.
- Advocate for ongoing LTCC funding in Michigan's FY 2010 budget.